



PChome ONLINE

Ticker : 8044-TT

Sep. 2023



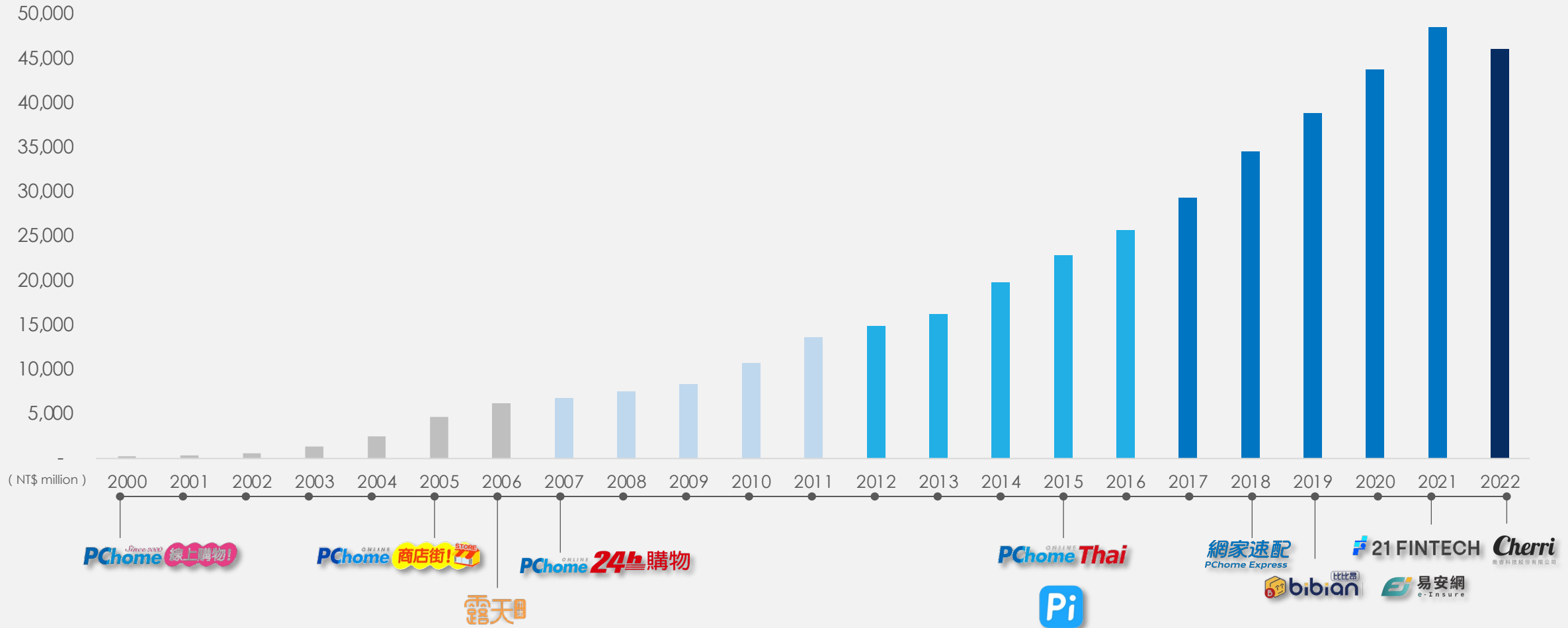
Disclaimer

This presentation provided by PChome Online Inc. (“the Company”) contains forward-looking statements. All information provided in this presentation is as of the date of this presentation and are based on assumptions that we believe to be reasonable as of this date. These statements may involve risks, uncertainties, and other factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, changes in market and economic conditions, regulatory and legal developments, competitive pressures, and technological advancements.

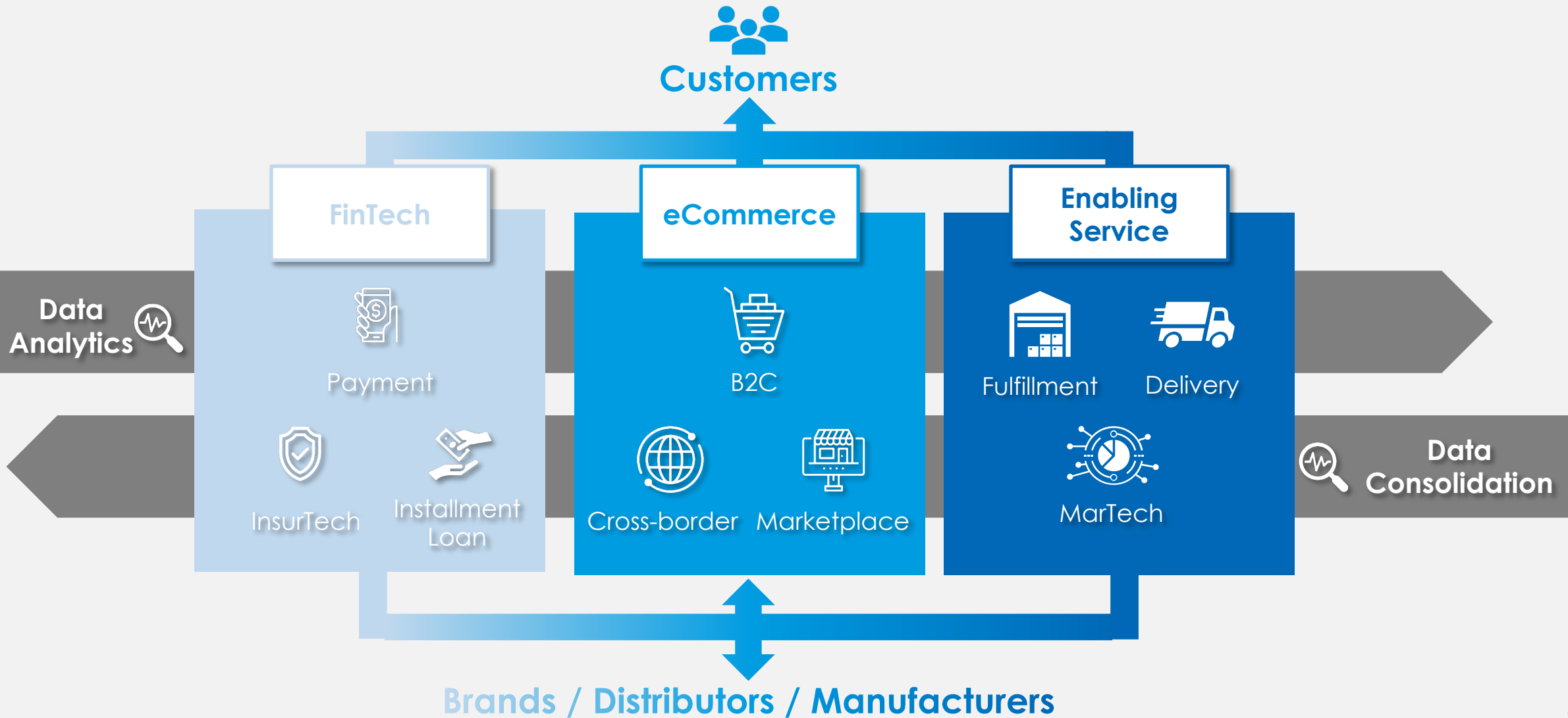
The Company does not undertake any obligation to update or revise any forward-looking statement. This presentation does not constitute or contain an offer, invitation or a solicitation to buy or sell any securities or related financial instruments. No representatives or employees of the Company and its affiliated companies shall be liable for any damage which may arise from this presentation or any other written or oral information provided in connection with this presentation, or from relying on or any use of the contents of this presentation.

PChome Group 20 Years in Retrospect

Consolidated Revenue

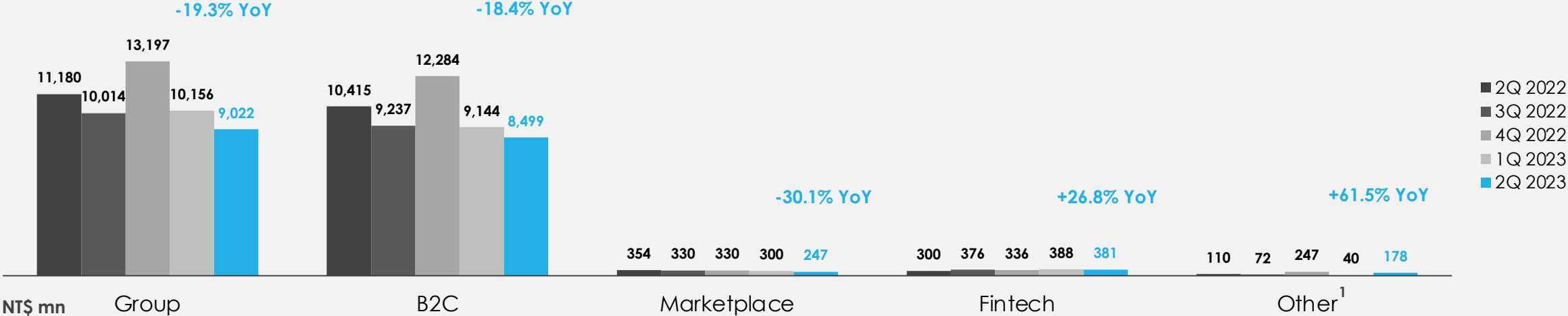


PChome Group Vision



2Q 2023 Revenue/Profit Breakdown by Business Divisions

Revenue Breakdown



Operating Profit Breakdown



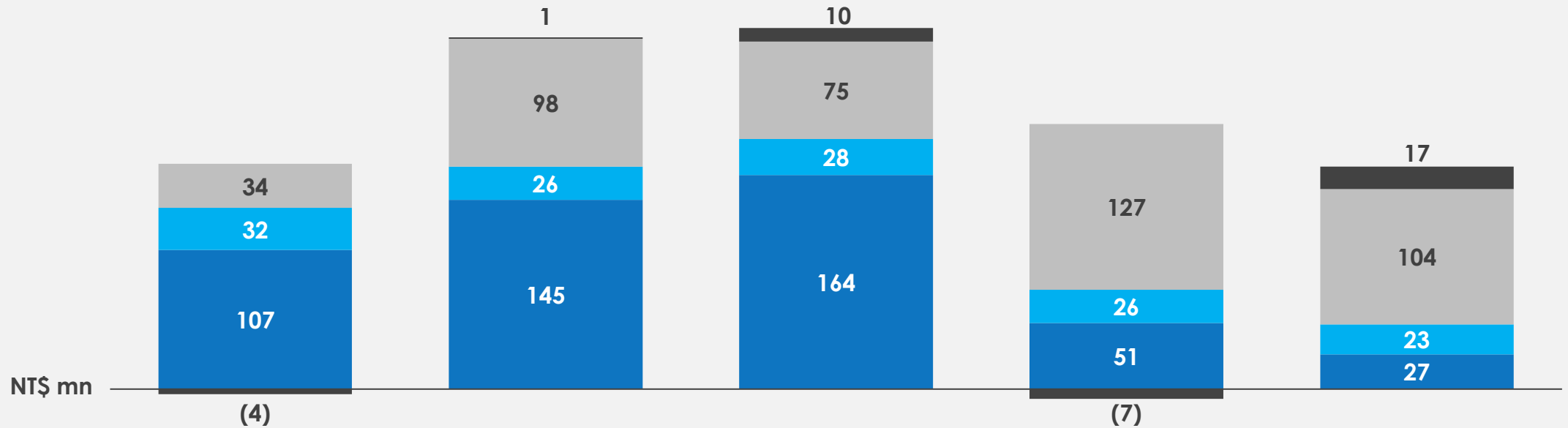
Note1 : The revenue of Other BU shown above has reflected a one-time accounting adjustment after the the change in the method of revenue recognition (gross basis in 1Q 2023, and a net basis in 2Q 2023) for Bibian, a subsidiary of PChome cross-border ecommerce service.

Note2 : For Fintech, pretax profit is shown to better reflect the profit contribution of the credit business since 4Q 2021.

Adjusted EBITDA Breakdown by Business Divisions

■ B2C ■ Marketplace ■ Fintech* ■ Other

+0.9% YoY

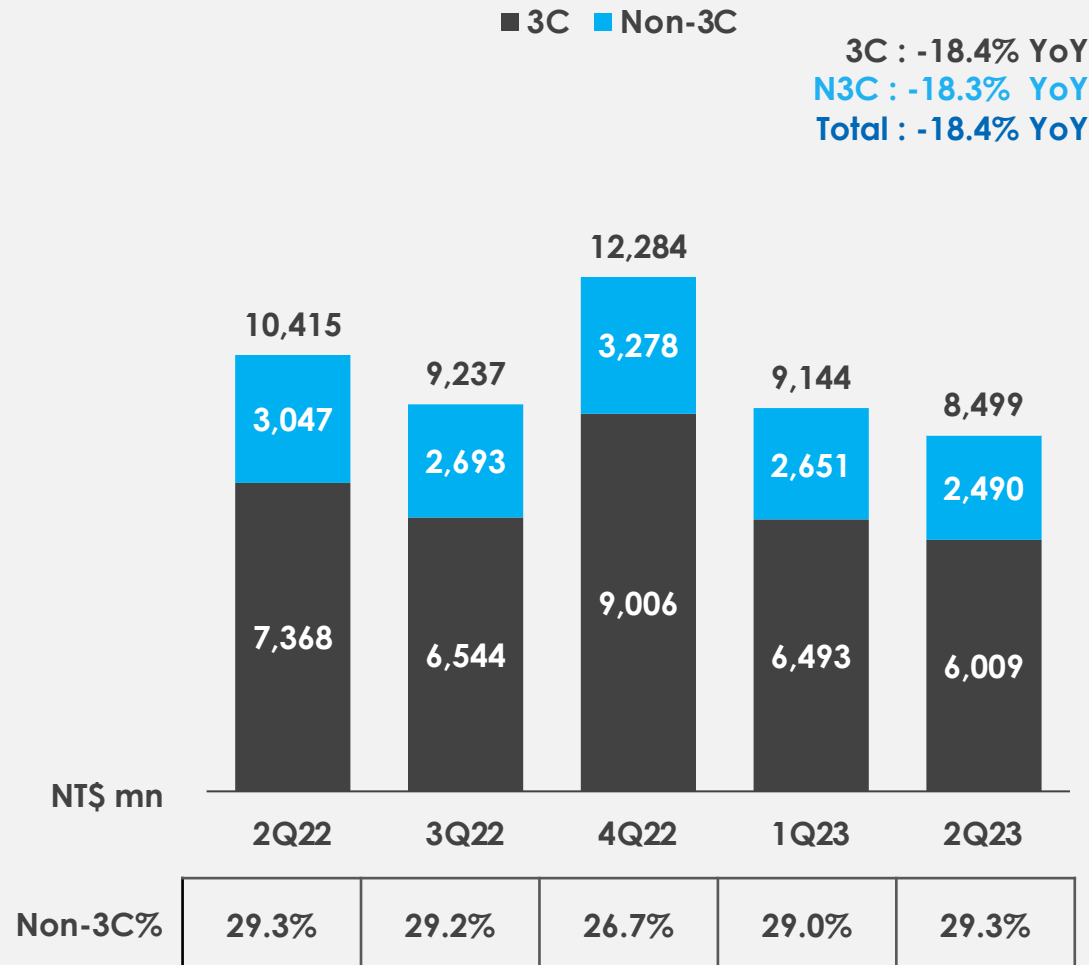


	2Q22	3Q22	4Q22	1Q23	2Q23
Adjusted EBITDA	169	269	277	196	170
Adjusted EBITDA Margin(%)	1.5%	2.7%	2.1%	1.9%	1.9%

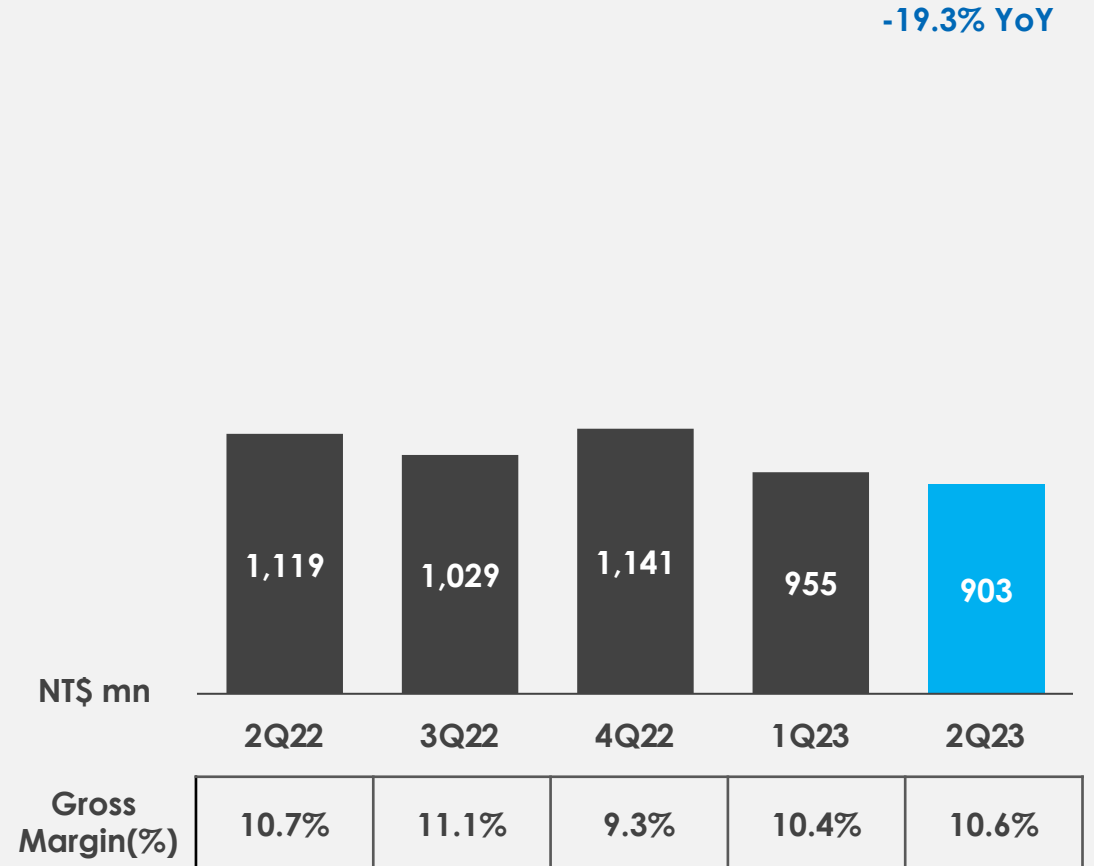
Note* : Adjusted EBITDA included pretax profit of Fintech BU to better reflect the profit contribution of the credit business since 4Q 2021.

B2C: 2Q 2023 Financial Summary

B2C Sales Breakdown



B2C Gross Profit

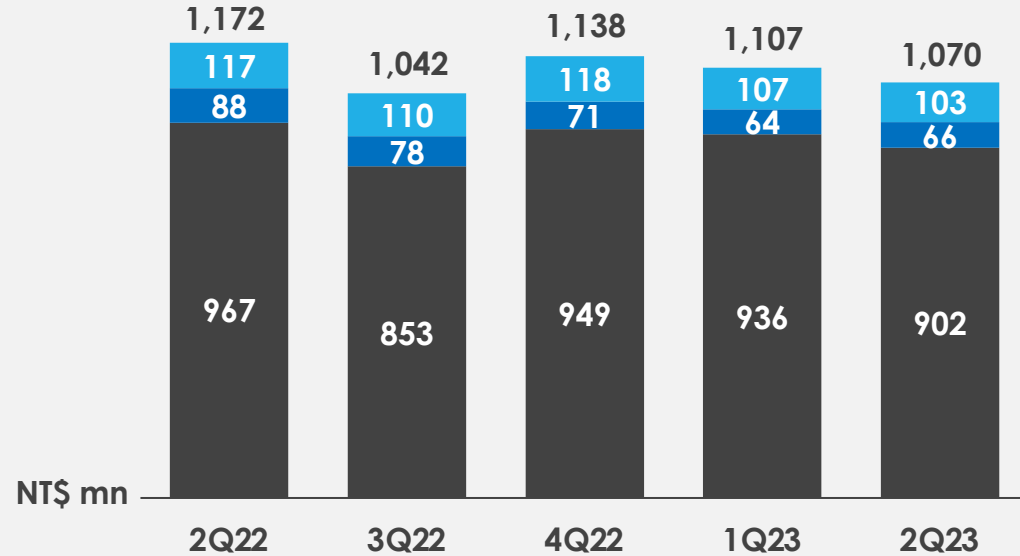


B2C: 2Q 2023 Financial Summary

B2C Operating Expense Breakdown

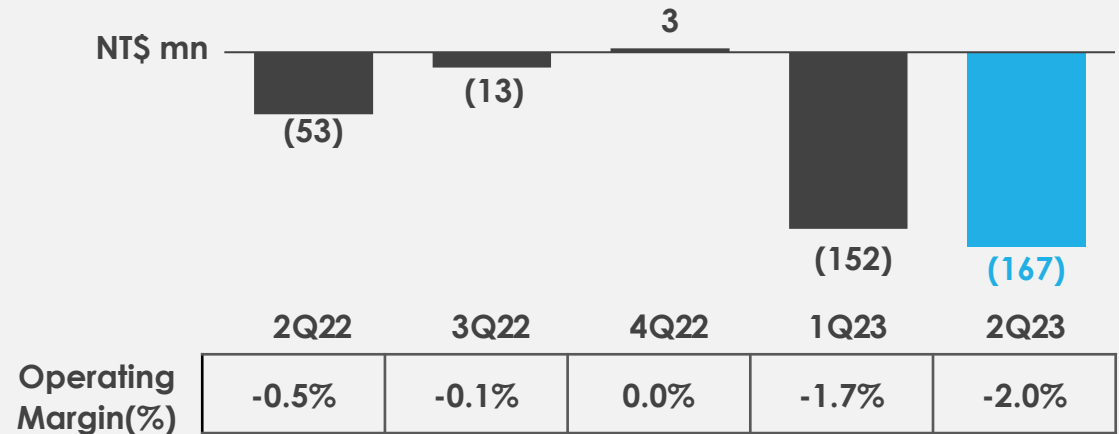
■ Selling expense ■ G&A expense ■ R&D expense

-8.7% YoY



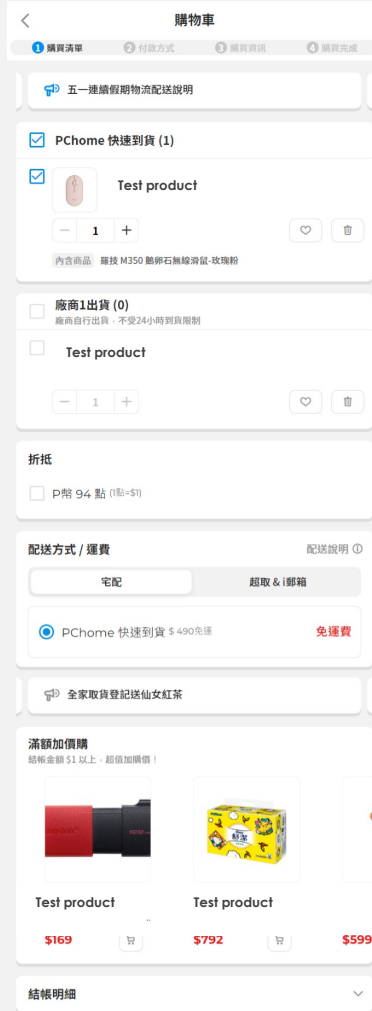
	2Q22	3Q22	4Q22	1Q23	2Q23
S&M expense(%)	9.3%	9.2%	7.7%	10.2%	10.6%
G&A expense(%)	0.8%	0.8%	0.6%	0.7%	0.8%
R&D expense(%)	1.1%	1.2%	1.0%	1.2%	1.2%
OPEX(%)	11.2%	11.3%	9.3%	12.1%	12.6%

B2C Operating Profit



B2C: 2Q 2023 Operation Highlights

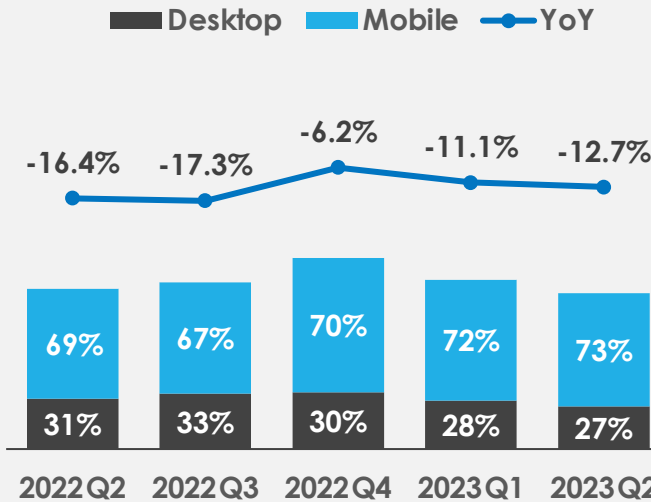
Shopping Cart Redesign Showcase



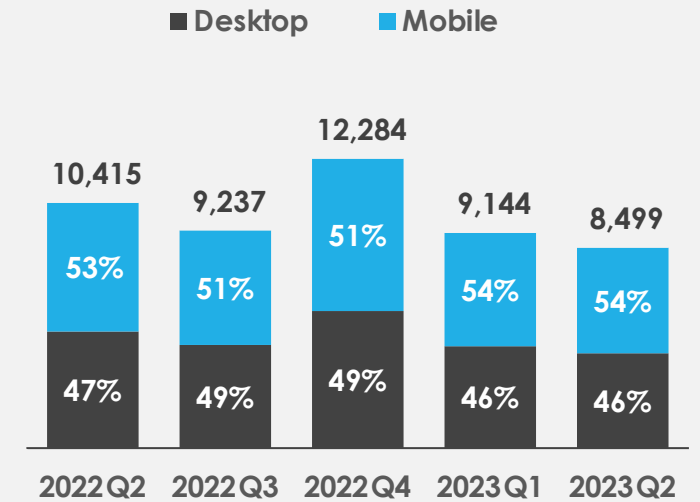
UI/UX Optimization Progress

- UI/UX Optimization progress :
 - **60%** of total pages was revamped as of 2Q 2023 - product pages, main category pages, shopping cart, web efficiency improvement, SEO
 - **90%** of total pages is expected to be revamped by end of 2023 – sub-category pages & others
- Shopping Cart Conversion Rate: **+ 80 basis point YoY**

MAU Breakdown by Device



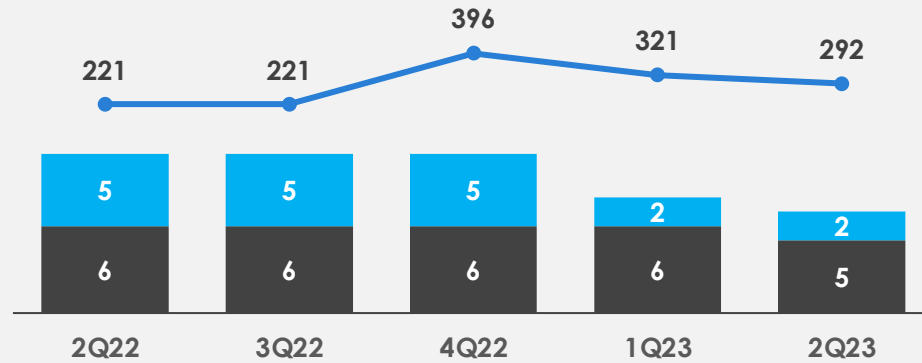
Revenue Breakdown by Device



B2C: 2Q 2023 Fulfillment Capacities

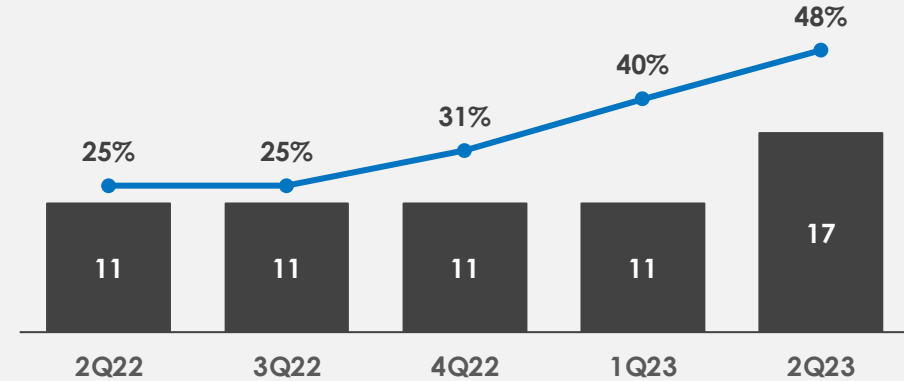
Warehouse Status

of Self-operated Warehouse
 # of Outsource Warehouse
 Total Spaces(k square meter)



PChome Express Status

of Delivery Station
 B2C orders delivered by PChomeExpress (%)



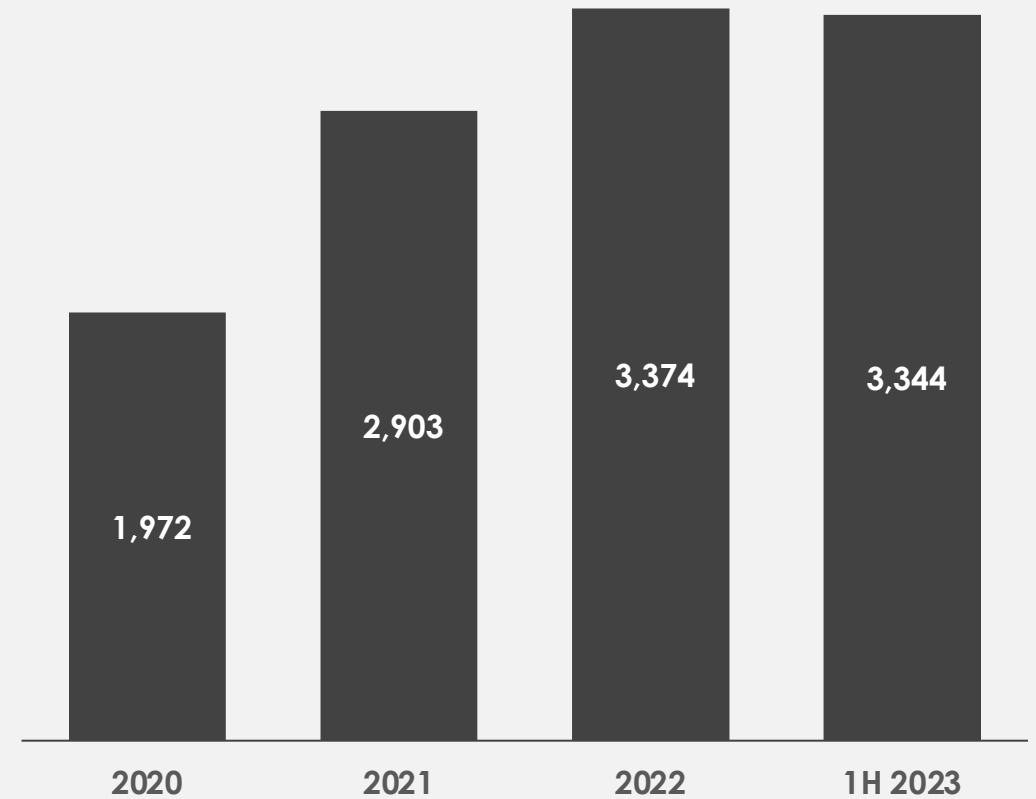
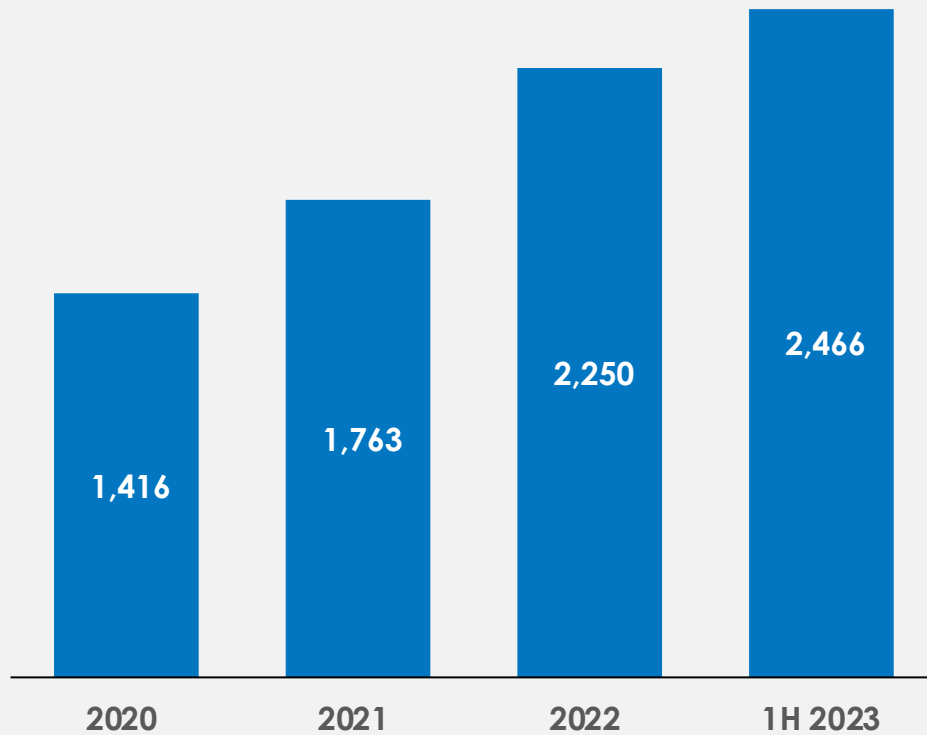
A7 Order (%)	-	-	-	26%	33%
--------------	---	---	---	-----	-----



21 Fintech: Total Users and Total Portfolio Value

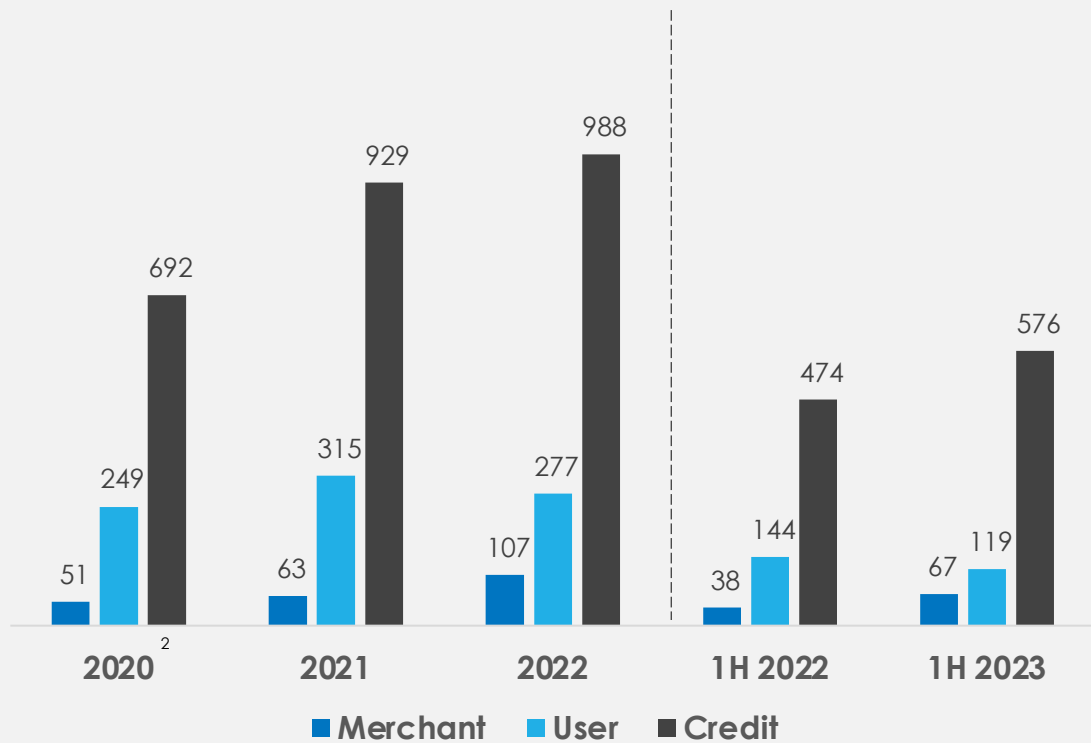
Total Registered Users (k)

Total Portfolio Value (NT\$ mn)

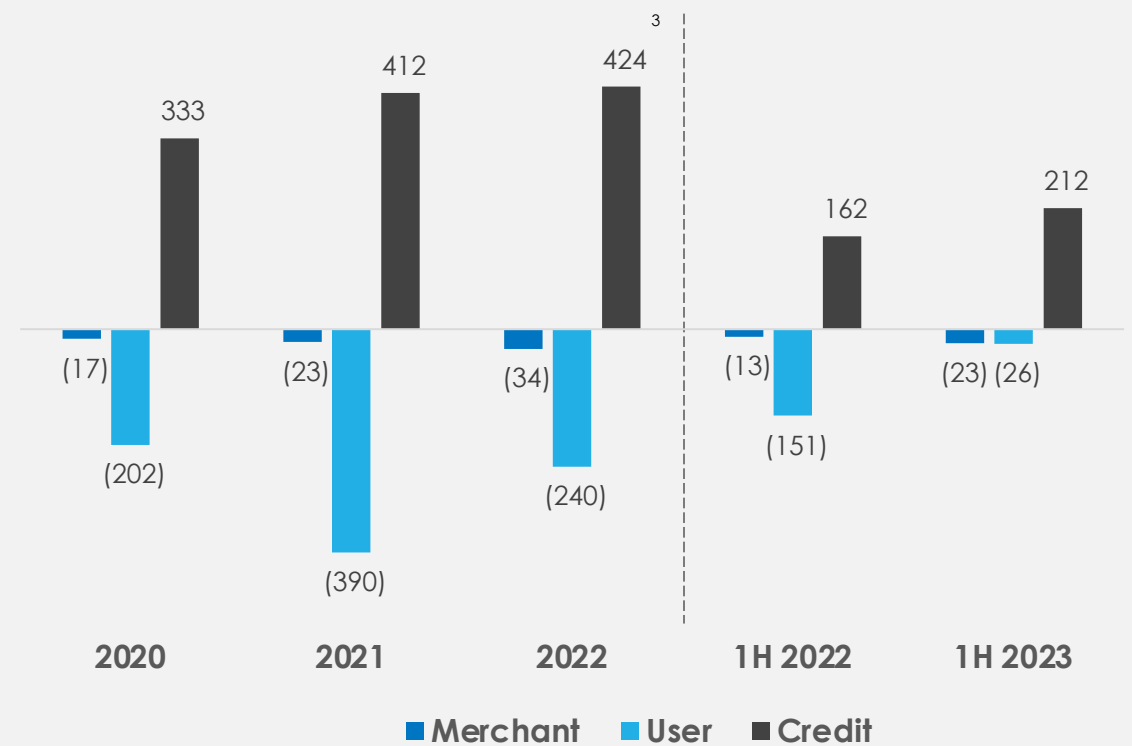


21 Fintech: Historical Revenue and Net Income Breakdown

Revenue¹ (NT\$ mn)



Net Income¹ (NT\$ mn)



Note1: The financial numbers are on a proforma basis, assuming all business segments were merged since 2019 and based on standalone financial statement of merchant, user, credit segment.

Note2: 2020 numbers are on an EAS basis, 2021 & 2022 are on a IFRS basis.

Note3: Adjusted for 2022 one-time costs from change of accounting rules and capital market fees.

Financial Statement



2Q 2023 Consolidated Income Statement

NT\$ million	2Q 2023		2Q 2022		YoY	1H 2023		1H 2022		YoY
	Amount	%	Amount	%		Amount	%	Amount	%	
Revenue	9,022	100.0%	11,180	100.0%	-19.3%	19,177	100.0%	22,889	100.0%	-16.2%
- B2C	8,499		10,415		-18.4%	17,643		21,376		-17.5%
- Marketplace	247		354		-30.1%	547		716		-23.5%
- Fintech	381		301		26.8%	769		620		24.0%
- Other ¹	178		110		61.5%	218		177		22.8%
Gross profit	1,164	12.9%	1,305	11.7%	-10.8%	2,363	12.3%	2,738	12.0%	-13.7%
Operating expense	(1,305)	-14.5%	(1,389)	-12.4%	-6.0%	(2,623)	-13.7%	(2,821)	-12.3%	-7.0%
Operating profit (loss)	(141)	-1.6%	(84)	-0.7%	NM	(259)	-1.4%	(83)	-0.4%	NM
- B2C	(167)		(53)		NM	(319)		(22)		NM
- Marketplace	12		21		-39.3%	27		49		-44.6%
- Fintech	36		(13)		NM	103		(4)		NM
- Other	(22)		(38)		NM	(70)		(107)		NM
Adjusted EBITDA²	170	1.9%	169	1.5%	0.9%	366	1.9%	421	1.8%	-13.0%
- B2C	27		107		-75.0%	77		297		-74.0%
- Marketplace	23		32		-29.3%	48		73		-33.8%
- Fintech	104		34		205.4%	231		90		156.8%
- Other	17		(4)		NM	10		(39)		NM
Non-operating income (loss)	53	0.6%	237	2.1%	-77.4%	130	0.7%	269	1.2%	-51.4%
Pretax income (loss)	(88)	-1.0%	153	1.4%	NM	(129)	-0.7%	186	0.8%	NM
Tax	31	0.3%	(71)	-0.6%	NM	(9)	0.0%	(135)	-0.6%	NM
Net income (loss)	(57)	-0.6%	82	0.7%	NM	(138)	-0.7%	51	0.2%	NM
- Attributed to shareholders	(86)		(2)		NM	(207)		(34)		NM
- Minority interest	29		84		-65.4%	69		85		-18.8%
EPS(NT\$)	(0.69)		(0.01)		NM	(1.65)		(0.26)		NM

Note1 : The revenue of Other BU shown above has reflected a one-time accounting adjustment after the the change in the method of revenue recognition (gross basis in 1Q2023, and now on a net basis) for Bibian, a subsidiary of PChome cross-border ecommerce service.

Note2 : Adjusted EBITDA included pretax profit of Fintech BU to better reflect the profit contribution of the credit business since 4Q 2021.

2Q 2023 Standalone Income Statement

NT\$ million	2Q 2023		2Q 2022		YoY	1H 2023		1H 2022		YoY
	Amount	%	Amount	%		Amount	%	Amount	%	
Revenue	8,499	100.0%	10,415	100.0%	-18.4%	17,643	100.0%	21,376	100.0%	-17.5%
Gross profit	903	10.6%	1,119	10.7%	-19.3%	1,858	10.5%	2,373	11.1%	-21.7%
Operating expense	(1,070)	-12.6%	(1,172)	-11.3%	-8.7%	(2,178)	-12.3%	(2,395)	-11.2%	-9.1%
S&M expense	(902)	-10.6%	(967)	-9.3%	-6.8%	(1,838)	-10.4%	(2,006)	-9.4%	-8.4%
G&A expense	(66)	-0.8%	(88)	-0.8%	-25.0%	(130)	-0.7%	(167)	-0.8%	-21.9%
R&D expense	(103)	-1.2%	(117)	-1.1%	-12.2%	(210)	-1.2%	(221)	-1.0%	-5.2%
Operating profit (loss)	(167)	-2.0%	(53)	-0.5%	NM	(319)	-1.8%	(22)	-0.1%	NM
Non-operating income (loss)	5	0.1%	73	0.7%	-93.8%	36	0.2%	40	0.2%	-11.1%
Pretax income (loss)	(163)	-1.9%	20	0.2%	NM	(284)	-1.6%	18	0.1%	NM
Tax¹	77	0.9%	(22)	-0.2%	NM	77	0.4%	(52)	-0.2%	NM
Net income (loss)	(86)	-1.0%	(2)	0.0%	NM	(207)	-1.2%	(34)	-0.2%	NM

Note1 : The tax refund of NT\$77 million in 2Q 2023 cam from the recognition of capital loss due to capital reduction of PChomePay(Merged by Pi Wallet) in 2020.

2Q 2023 Consolidated Balance Sheet

NT\$ million	2Q 2023		2Q 2022		NT\$ million	2Q 2023		2Q 2022	
	Amount	%	Amount	%		Amount	%	Amount	%
ASSETS					LIABILITIES				
Current Assets :					Current Liabilities :				
Cash & Cash Equivalents	6,242	21.9%	6,339	26.8%	Short Term Borrowings	3,918	13.8%	1,934	8.2%
Accounts Receivables	3,210	11.3%	2,847	12.0%	Account Payable	2,822	9.9%	3,771	16.0%
AR of Fintech BU	2,647	9.3%	2,204	9.3%	Other Payables	1,381	4.9%	1,381	5.8%
AR excl. Fintech BU	563	2.0%	643	2.7%	Other Current Liabilities	5,348	18.8%	3,739	15.8%
Other Receivables	1,151	4.0%	1,098	4.6%	Total Current Liabilities	13,470	47.4%	10,825	45.8%
Inventories	1,104	3.9%	1,657	7.0%	Non-current Liabilities :	6,708	23.6%	5,341	22.6%
Other Current Assets	1,941	6.8%	1,642	6.9%	TOTAL LIABILITIES	20,178	70.9%	16,166	68.4%
Total Current Assets	13,647	48.0%	13,583	57.5%					
Non-current Assets :					STOCKHOLDERS' EQUITY				
Long Term Investments	1,546	5.4%	1,686	7.1%	Capital Stock :				
Property, Plant, and Equipment	1,507	5.3%	965	4.1%	Common Stock	1,282	4.5%	1,285	5.4%
Intangible Assets	5,751	20.2%	4,134	17.5%	Capital Surplus	5,065	17.8%	4,716	20.0%
Right-of-use Assets	4,862	17.1%	2,268	9.6%	Retained Earnings	(51)	-0.2%	146	0.6%
Long-term Accounts Receivables of Fintech BU	628	2.2%	632	2.7%	Other Equity	21	0.1%	115	-0.5%
Other Non-current Assets	500	1.8%	366	1.6%	Non-controlling Interest	1,946	6.8%	1,435	6.1%
Total Non-current Assets	14,794	52.0%	10,050	42.5%	TOTAL EQUITY	8,263	29.1%	7,467	31.6%
TOTAL ASSETS	28,441	100.0%	23,633	100.0%	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	28,441	100.0%	23,633	100.0%

Sustainability Development



2022 Corporate Governance Evaluation - Top 6%~20%



2022 The Taiwan Corporate Sustainability Awards- ESG Reports - Platinum Award

Environment



The first e-commerce group to receive the Carbon Footprint label



Launched the Green Shopping Program to cover 4 initiatives⁽¹⁾:

- green packaging
- green logistics
- green warehousing
- green payment

Governance



The overall evaluation score for board performance was 4.95 points (Outstanding)



Promoting various information security measures and striving to maintain a record of zero information security incidents



The first Taiwanese e-commerce company to receive the Grade A TIPS (Taiwan Intellectual Property Management System) certification

Social



Gender equality in the workplace. Female employees account for 55% of the workforce while female managers account for 57%



Zero violations of labor-related laws and zero human rights-related complaints filed



Launched PChome e-Commerce University online course in which over external 500+ participants completed⁽²⁾

(1) packaging made from 100% recycled paper, warehouses saving annual energy by 520,000 kWh (264.3 tons of CO₂), Green e-Scooter Fleet with 3.6-ton carbon emission reduction and payment digitalization saving over 15.2 million invoice papers (95.95% e-invoice coverage)
 (2) Donated 240 boxes of goods to NPO with iGoods; Joined Dog Home event giving 1000 limited edition pet boxes to increase pet adoption and care awareness.

Thank You

